

DELOITTE & TOUCHE LLP
Timothy Gillam
555 Mission Street
San Francisco, CA 94105-0920
Telephone: 414.783.4122
Fax: 704.339.5276

Independent Auditor and Advisor

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

In re:

PG&E CORPORATION

- and -

**PACIFIC GAS AND ELECTRIC
COMPANY,**

Debtors.

☐ Affects PG&E Corporation
☐ Affects Pacific Gas and Electric
Company
☒ Affects both Debtors

**All papers shall be filed in the Lead Case,
No. 19-30088 (DM).*

Bankruptcy Case No.19-30088 (DM)

Chapter 11

(Lead Case)

(Jointly Administered)

**SUMMARY SHEET TO FIRST INTERIM
FEE APPLICATION OF DELOITTE &
TOUCHE LLP FOR ALLOWANCE AND
PAYMENT OF COMPENSATION AND
REIMBURSEMENT OF EXPENSES FOR
THE PERIOD JANUARY 29, 2019
THROUGH MAY 31, 2019**

Date: TBD

Time: TBD

Place: United States Bankruptcy Court
Courtroom 17, 16th Floor
San Francisco, CA 94102

Objection Deadline: February 7, 2020 at
4:00 p.m. (Pacific Time)

General Information

Name of Applicant:

Deloitte & Touche LLP

Authorized to Provide Professional Services to:

Independent Auditor and Advisor for
Debtors and Debtors in Possession

Petition Date:	January 29, 2019
Retention Date:	July 24, 2019 nunc pro tunc to January 29, 2019
Prior Applications:	<i>First Monthly Fee Application of Deloitte & Touche LLP for Allowance and Payment of Compensation and Reimbursement of Expenses for the Period January 29, 2019 through May 31, 2019 [Docket No.4156]</i>

Summary of Fees and Expenses Sought in this Application

Time Period Covered by this Application	January 29, 2019 through and including May 31, 2019 (the " Compensation Period ")
Amount of Compensation Sought as Actual, Reasonable, and Necessary for the Compensation Period:	\$666,400.00
Amount of Expense Reimbursement Sought as Actual, Reasonable, and Necessary for the Compensation Period:	\$17,914.96
Total Compensation and Expenses Requested for the Compensation Period:	\$684,314.96

Total Fees and Expenses Allowed Pursuant to Prior Applications

Total Allowed Compensation Paid to Date:	\$533,120.00
Total Allowed Expenses Paid to Date:	\$17,914.96
Total Allowed Compensation and Expenses Paid to Date:	\$551,034.96

Total Fees and Expenses Paid to Applicant Pursuant to Monthly Statements but Not Yet Allowed

Compensation Sought in this Application Already Paid Pursuant to the Interim Compensation Order but Not Yet Allowed (80% of Fees in Monthly Statements):	\$533,120.00
Expenses Sought in this Application Already Paid Pursuant to the Interim Compensation Order but Not Yet Allowed (100% of Expenses in Monthly Statements):	\$17,914.96

Summary of Rates and Other Related Information in this Application

Blended Rate in this Application for All Timekeepers:	\$312.63
Number of Timekeepers Included in this Application:	61
Number of Timekeepers Billing Fewer than 15 Hours to the Case During the Compensation Period:	39

Increase in Rates:

N/A

This is an: ☐ Monthly ☒ Interim ☐ Final
Application

PRIOR MONTHLY FEE APPLICATIONS FILED

Date Filed / Docket #	Period Covered	Requested Fees	Requested Expenses	Approved Fees	Approved Expenses	20% Holdback
10/7/2019 Docket #4156	1/29/2019 - 5/31/2019	\$666,400.00	\$17,914.96	\$533,120.00	\$17,914.96	(\$133,280.00)

COMPENSATION BY PROFESSIONAL
JANUARY 29, 2019 THROUGH MAY 31, 2019

Professional	Level	Rate	Hours	Fees
<i>2018 Nuclear Decommissioning Trust (NDT) Audit Services</i>				
Meredith, Wendy	Managing Director	\$380.00	0.5	\$190.00
Chhajer, Neha	Senior Manager	\$330.00	1.5	\$495.00
Jasinski, Samantha	Manager	\$290.00	1.3	\$377.00
Moolani, Lina	Senior Consultant	\$230.00	30.3	\$6,969.00
Hamner, Jack	Consultant	\$200.00	4.0	\$800.00
Ranganathan, Akshaya	Consultant	\$200.00	51.0	\$10,200.00
Professional Subtotal:			88.6	\$19,031.00

Professional	Level	Rate	Hours	Fees
<i>2019 Audit Services</i>				
Basilico, Ellen	Partner/Principal	\$380.00	5.8	\$2,204.00
Cochran, James	Partner/Principal	\$380.00	5.5	\$2,090.00
Gillam, Tim	Partner/Principal	\$380.00	39.3	\$14,934.00
Pemberton, Tricia	Partner/Principal	\$380.00	8.6	\$3,268.00
Donahue, Nona	Managing Director	\$380.00	28.0	\$10,640.00
Meredith, Wendy	Managing Director	\$380.00	56.1	\$21,318.00
Verma, Sachin	Managing Director	\$380.00	0.5	\$190.00
Chhajer, Neha	Senior Manager	\$330.00	13.3	\$4,389.00
Giamanco, Patrick	Senior Manager	\$330.00	31.0	\$10,230.00
Kort, Krystle	Senior Manager	\$330.00	2.2	\$726.00
Murdock, Elizabeth	Senior Manager	\$330.00	74.3	\$24,519.00

1	Ncho-Oguie, Jean-Denis	Senior Manager	\$330.00	0.5	\$165.00
2	Jasinski, Samantha	Manager	\$290.00	108.6	\$31,494.00
3	Majester, Pauli	Manager	\$290.00	6.5	\$1,885.00
4	Nkinzingabo, Rudy	Manager	\$290.00	33.6	\$9,744.00
5	Azebu, Matt	Senior Consultant	\$230.00	26.9	\$6,187.00
6	Doyle, Ryan	Senior Consultant	\$230.00	0.4	\$92.00
7	Moolani, Lina	Senior Consultant	\$230.00	35.7	\$8,211.00
8	Morley, Carlye	Senior Consultant	\$230.00	6.4	\$1,472.00
9	Rice, Blake	Senior Consultant	\$230.00	158.5	\$36,455.00
10	Varshney, Swati	Senior Consultant	\$230.00	0.3	\$69.00
11	Yuen, Jennifer	Senior Consultant	\$230.00	37.4	\$8,602.00
12	Bhatia, Sagar	Consultant	\$200.00	0.5	\$100.00
13	Biswas, Priyanka	Consultant	\$200.00	3.0	\$600.00
14	Bitra, Rinitha	Consultant	\$180.00	11.0	\$1,980.00
15	Spurthi Chandra, Bipin	Consultant	\$120.00	0.4	\$48.00
16	Choudhury, Viki	Consultant	\$200.00	5.0	\$1,000.00
17	Hamner, Jack	Consultant	\$200.00	245.3	\$49,060.00
18	Hennesy, Vincent	Consultant	\$200.00	50.9	\$10,180.00
19	K, Kavya	Consultant	\$120.00	1.0	\$120.00
20	Medavaram, Prasanth	Consultant	\$120.00	0.4	\$48.00
21	Muller, George	Consultant	\$120.00	0.5	\$60.00
22	Radhakrishnan, Akshay	Consultant	\$200.00	8.0	\$1,600.00
23	Raj, Reshma	Consultant	\$180.00	8.7	\$1,566.00
24	Ranganathan, Akshaya	Consultant	\$200.00	66.7	\$13,340.00
25	Schloetter, Lexie	Consultant	\$180.00	239.2	\$43,056.00
26	Sewell, Kyle	Consultant	\$180.00	101.3	\$18,234.00
27	Sridevi, Sridevi	Consultant	\$120.00	0.5	\$60.00
28	Gaddaph V S S K Prasad,	Consultant	\$120.00	0.7	\$84.00
	Prasad Ganti				
	Vellanki Mruthyun, Jai Kumar	Consultant	\$120.00	0.6	\$72.00
	Professional Subtotal:			1,423.1	\$340,092.00

Professional	Level	Rate	Hours	Fees
--------------	-------	------	-------	------

Accounting Consultations

Gillam, Tim	Partner/Principal	\$760.00	0.5	\$380.00
Jones, Jeff	Partner/Principal	\$760.00	2.4	\$1,824.00
Meredith, Wendy	Managing Director	\$760.00	5.9	\$4,484.00

Professional Subtotal:			8.8	\$6,688.00
-------------------------------	--	--	------------	-------------------

Professional	Level	Rate	Hours	Fees
--------------	-------	------	-------	------

California Wildfires

Barton, Doug	Partner/Principal	\$760.00	0.5	\$380.00
Clark, Brian	Partner/Principal	\$760.00	1.3	\$988.00
Gillam, Tim	Partner/Principal	\$760.00	10.7	\$8,132.00
Pemberton, Tricia	Partner/Principal	\$760.00	1.5	\$1,140.00
Meredith, Wendy	Managing Director	\$760.00	10.1	\$7,676.00
Bush, Amber	Senior Manager	\$660.00	0.3	\$198.00
Murdock, Elizabeth	Senior Manager	\$660.00	0.4	\$264.00
Jasinski, Samantha	Manager	\$580.00	0.3	\$174.00
Azebu, Matt	Senior Consultant	\$460.00	3.1	\$1,426.00
Schloetter, Lexie	Consultant	\$390.00	1.5	\$585.00

Professional Subtotal:			29.7	\$20,963.00
-------------------------------	--	--	-------------	--------------------

Professional	Level	Rate	Hours	Fees
--------------	-------	------	-------	------

New Accounting Standards

Meredith, Wendy	Managing Director	\$760.00	0.9	\$684.00
Murdock, Elizabeth	Senior Manager	\$660.00	7.3	\$4,818.00
Jasinski, Samantha	Manager	\$580.00	1.4	\$812.00
Hennessy, Vincent	Consultant	\$390.00	6.1	\$2,379.00
Sewell, Kyle	Consultant	\$350.00	76.2	\$26,670.00

Professional Subtotal:			91.9	\$35,363.00
-------------------------------	--	--	-------------	--------------------

Professional	Level	Rate	Hours	Fees
--------------	-------	------	-------	------

Non-Working Travel

Sasso, Anthony	Managing Director	\$380.00	9.5	\$3,610.00
Nkinzingabo, Rudy	Manager	\$290.00	6.5	\$1,885.00

Professional Subtotal:			16.0	\$5,495.00
-------------------------------	--	--	-------------	-------------------

Professional	Level	Rate	Hours	Fees
<i>Other Audit-Related Services</i>				
Cochran, James	Partner/Principal	\$365.00	14.5	\$5,292.50
Meredith, Wendy	Managing Director	\$365.00	1.0	\$365.00
Giamanco, Patrick	Senior Manager	\$325.00	18.8	\$6,110.00
Murdock, Elizabeth	Senior Manager	\$325.00	2.0	\$650.00
Majester, Pauli	Manager	\$295.00	16.8	\$4,956.00
Horne, Ben	Senior Consultant	\$265.00	43.4	\$11,501.00
Sewell, Kyle	Consultant	\$225.00	1.1	\$247.50
Professional Subtotal:			97.6	\$29,122.00
Professional	Level	Rate	Hours	Fees
<i>Other Outside of Engagement Scope</i>				
Meredith, Wendy	Managing Director	\$760.00	2.8	\$2,128.00
Livezey, Dale	Senior Manager	\$660.00	1.4	\$924.00
Murdock, Elizabeth	Senior Manager	\$660.00	6.4	\$4,224.00
Jasinski, Samantha	Manager	\$580.00	1.1	\$638.00
Guthrie, Jillian	Consultant	\$390.00	8.7	\$3,393.00
Professional Subtotal:			20.4	\$11,307.00
Professional	Level	Rate	Hours	Fees
<i>Post Bankruptcy Matters</i>				
Blair, Kirk	Partner/Principal	\$760.00	8.1	\$6,156.00
Gillam, Tim	Partner/Principal	\$760.00	30.6	\$23,256.00
Graf, Bill	Partner/Principal	\$760.00	0.4	\$304.00
Kilkenny, Tom	Partner/Principal	\$760.00	3.6	\$2,736.00
Vitola, Paul	Partner/Principal	\$760.00	4.3	\$3,268.00
Bihm, Christy	Managing Director	\$760.00	0.5	\$380.00
Donahue, Nona	Managing Director	\$760.00	21.5	\$16,340.00
Meredith, Wendy	Managing Director	\$760.00	47.9	\$36,404.00
Perez Zaldivar, Ignacio	Managing Director	\$760.00	0.9	\$684.00
Sasso, Anthony	Managing Director	\$760.00	11.9	\$9,044.00
Sullivan, Mike	Managing Director	\$760.00	10.7	\$8,132.00
Yanchisin, Helen	Managing Director	\$760.00	1.0	\$760.00
Buechele, Stephanie	Senior Manager	\$660.00	2.2	\$1,452.00
Chhajer, Neha	Senior Manager	\$660.00	0.5	\$330.00
Kort, Krystle	Senior Manager	\$660.00	1.0	\$660.00
Lang, Mary	Senior Manager	\$660.00	2.0	\$1,320.00
Luong, Mimi	Senior Manager	\$660.00	2.2	\$1,452.00
Murdock, Elizabeth	Senior Manager	\$660.00	26.1	\$17,226.00
Jasinski, Samantha	Manager	\$580.00	3.7	\$2,146.00

1	Moore, Catherine	Manager	\$580.00	3.7	\$2,146.00
2	Nkinzingabo, Rudy	Manager	\$580.00	3.2	\$1,856.00
3	Moolani, Lina	Senior Consultant	\$460.00	9.5	\$4,370.00
4	Rice, Blake	Senior Consultant	\$460.00	1.1	\$506.00
5	Bitra, Rinitha Spurthi	Consultant	\$390.00	1.5	\$585.00
6	Hennessy, Vincent	Consultant	\$390.00	88.1	\$34,359.00
7	Schloetter, Lexie	Consultant	\$390.00	11.3	\$4,407.00
8	Sewell, Kyle	Consultant	\$390.00	34.0	\$13,260.00
9	Professional Subtotal:			331.5	\$193,539.00

Professional	Level	Rate	Hours	Fees
--------------	-------	------	-------	------

Preparation of Fee Applications

10	Gutierrez, Dalia	Project Controller	\$200.00	24.0	\$4,800.00
11	Professional Subtotal:			24.0	\$4,800.00

12	Total			2,131.6	\$666,400.00
----	--------------	--	--	----------------	---------------------

The total fees for the Compensation Period are:

PROFESSIONALS	BLENDED RATE	TOTAL HOURS BILLED	TOTAL COMPENSATION
Partners/Principals/Managing Directors (19)	\$574.09	347.3	\$199,381.50
Associates (41)	\$262.58	1760.3	\$462,218.50
Paraprofessionals (1)	\$200.00	24	\$4,800.00
Blended Rate for All Timekeepers	\$312.63		
Total Fees Incurred (85 total professionals and paraprofessionals):		2131.6	\$666,400.00

COMPENSATION BY CATEGORY
JANUARY 29, 2019 THROUGH MAY 31, 2019

Categories	Hours	Fees
2018 NDT Audit Services	88.6	\$19,031.00
2019 Audit Services	1,423.1	\$340,092.00
Accounting Consultations	8.8	\$6,688.00
California Wildfires	29.7	\$20,963.00
New Accounting Standards	91.9	\$35,363.00
Non-Working Travel	16.0	\$5,495.00
Other Audit-Related Services	97.6	\$29,122.00
Other Outside of Engagement Scope	20.4	\$11,307.00
Post Bankruptcy Matters	331.5	\$193,539.00
Preparation of Fee Applications	24.0	\$4,800.00
Fees Category Subtotal :	2,131.6	\$666,400.00

EXPENSE SUMMARY
JANUARY 29, 2019 THROUGH MAY 31, 2019

Expense Categories	Total Expenses for the Period
Airfare	\$6,933.66
Hotel	\$6,952.39
Meals	\$1,599.82
Transportation	\$2,100.57
Parking	\$272.19
Internet Access While Traveling	\$49.95
Mileage	\$6.38
Expense Category Subtotal :	\$17,914.96

DELOITTE & TOUCHE LLP
Timothy Gillam
555 Mission Street
San Francisco, CA 94105-0920
Telephone: 414.783.4122
Fax: 704.339.5276

Independent Auditor and Advisor

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

In re:

PG&E CORPORATION

- and -

**PACIFIC GAS AND ELECTRIC
COMPANY,**

Debtors.

☐ Affects PG&E Corporation
☐ Affects Pacific Gas and Electric
Company
☒ Affects both Debtors

**All papers shall be filed in the Lead Case,
No. 19-30088 (DM).*

Bankruptcy Case No.19-30088 (DM)

Chapter 11

(Lead Case)

(Jointly Administered)

**FIRST INTERIM FEE APPLICATION OF
DELOITTE & TOUCHE LLP FOR
ALLOWANCE AND PAYMENT OF
COMPENSATION AND
REIMBURSEMENT OF EXPENSES FOR
THE PERIOD JANUARY 29, 2019
THROUGH MAY 31, 2019**

Date: TBD

Time: TBD

Place: United States Bankruptcy Court
Courtroom 17, 16th Floor
San Francisco, CA 94102

Objection Deadline: February 7, 2020 at
4:00 p.m. (Pacific Time)

Deloitte & Touche LLP (“**Deloitte & Touche**” or the “**Applicant**”), independent auditor and advisor to PG&E Corporation, and Pacific Gas and Electric Company, the debtors-in-possession herein (the “**Debtors**”), in the above-captioned chapter 11 cases (the “**Chapter 11 Cases**”), hereby submits its first interim fee application (the “**Fee Application**”), pursuant to sections 330(a) and 331 of title 11 of the United States Code (the “**Bankruptcy Code**”) and Rule 2016 of the Federal Rules

1 of Bankruptcy Procedure (the “**Bankruptcy Rules**”), for the interim allowance of compensation for
2 professional services performed by Deloitte & Touche for allowance and payment of compensation
3 for professional services rendered and for reimbursement of actual and necessary expenses incurred
4 for the period commencing January 29, 2019 through and May 31, 2019 (the “**Application**
5 **Period**”).

6 This Application has been prepared in accordance with the Bankruptcy Code, the Bankruptcy
7 Rules, the Bankruptcy Local Rules for the Northern District of California (the “**Local Rules**”), the
8 *Order Pursuant to 11 U.S.C. §§ 331 and 105(a) and Fed. R. Bankr. P. 2016 for Authority to*
9 *Establish Procedures for Interim Compensation and Reimbursement of Expenses of Professional*
10 *dated February 27, 2019 [Docket No. 701] (the “**Interim Compensation Procedures Order**”), the*
11 *Guidelines for Compensation and Expense Reimbursement of Professionals and Trustees for the*
12 *Northern District of California*, dated February 19, 2014 (the “**Local Guidelines**”), the U.S. Trustee
13 Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed
14 under 11 U.S.C. § 330, effective January 30, 1996 (the “**U.S. Trustee Guidelines**,” and together
15 with the Local Guidelines, the “**Fee Guidelines**”), and the *Fee Examiner Protocol for Chapter 11*
16 *Cases of PG&E Corporation and Pacific Gas and Electric Company [Docket No.4473-1] (the “**Fee***
17 ***Protocol**”).*

18 **JURISDICTION**

19 This Court has jurisdiction to consider this matter pursuant to 28 U.S. C. §§ 157 and 1334.
20 This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court
21 pursuant to 28 U.S.C. §§ 1408 and 1409.

22 **BACKGROUND**

23 On January 29, 2019 (the “**Petition Date**”), the Debtors commenced with the Court
24 voluntary cases under chapter 11 of the Bankruptcy Code. The Debtors continue to operate their
25 businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and
26 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in either of the Chapter
27 11 Cases. The Debtors’ Chapter 11 Cases are being jointly administered for procedural purposes
28 only pursuant to Bankruptcy Rule 1015(b).

1 On February 27, 2019, the Court entered the *Order Pursuant to 11 U.S.C. §§ 331 and 105(a)*
2 *and Fed. R. Bankr. P. 2016 for Authority to Establish Procedures for Interim Compensation and*
3 *Reimbursement of Expenses of Professionals* [Docket No. 701] (the “**Compensation Order**”),
4 which generally sets forth the procedures for interim compensation and expense reimbursement for
5 retained professionals.

6 On February 12, 2019, the United States Trustee (the “**U.S. Trustee**”) appointed an Official
7 Committee of Unsecured Creditors (the “**Creditors’ Committee**”). On February 15, 2019, the U.S.
8 Trustee appointed an Official Committee of Tort Claimants (the “**Tort Claimants’ Committee**”
9 and, together with the Creditors’ Committee, the “**Committees**”).

10 Additional information regarding the circumstances leading to the commencement of the
11 Chapter 11 Cases and information regarding the Debtors’ businesses and capital structure is set forth
12 in the *Amended Declaration of Jason P. Wells in Support of the First Day Motions and Related*
13 *Relief* [Docket No. 263] (the “**Wells Declaration**”).

14 **RETENTION OF DELOITTE & TOUCHE**

15 On May 22, 2019, the Debtors filed the *Application Pursuant to 11 U.S.C. §§ 327 and 328*
16 *for an Order Authorizing Employment and Retention of Deloitte & Touche LLP as Independent*
17 *Auditor and Advisor to the Debtors Nunc Prp Tunc to the Petition Date* [Docket No. 2197] (the
18 “**Retention Application**”).

19 On July 24, 2019, the Court entered an order approving the Retention Application [Docket
20 No. 3190] (the “**Retention Order**”). A copy of the Retention Order is annexed hereto as Exhibit A.

21 **RELIEF REQUESTED**

22 By this Fee Application, Deloitte & Touche respectfully requests 100% allowance of
23 compensation of its fees in the amount of \$666,400.00, together with reimbursement of its
24 reasonable and necessary expenses incurred during the Application Period, in the amount of
25 \$17,914.96, for a total requested allowance of fees and expenses of \$684,314.96. Deloitte & Touche
26 has been subject to a 20% holdback imposed by the Court on the allowance of fees. The aggregate
27 amount of the Applicant’s holdback during the Application Period is \$133,280.00. Deloitte &
28 Touche respectfully requests the Court allow the payment to Deloitte & Touche of this holdback

1 amount on an interim basis. Deloitte & Touche submits this Fee Application in accordance with the
2 Interim Compensation Procedures Order and the Retention Order. All services for which Deloitte &
3 Touche requests compensation were performed for the Debtors.

4 **BASIS FOR RELIEF**

5 This is the first interim fee application filed by Deloitte & Touche in these Chapter 11 Cases.
6 In connection with the professional services rendered, by this Fee Application, Deloitte & Touche
7 seeks compensation in the amount of \$666,400.00. The Applicant maintains computerized records
8 of the time expended in the rendering of the professional services required by the Debtors. These
9 records are maintained in the ordinary course of the Applicant's business. A detailed statement of
10 hours spent rendering professional services to the Debtors in support of Deloitte & Touche's request
11 for compensation for fees incurred during the Application Period is annexed hereto as Exhibit B.
12 Exhibit B: (i) identifies the professionals and paraprofessionals that rendered services in each project
13 category; and (ii) describes each service such professional or paraprofessional performed.

14 Deloitte & Touche also maintains computerized records of all expenses incurred in
15 connection with the performance of professional services. By this Fee Application, Deloitte &
16 Touche also seeks expense reimbursement of \$17,914.96. A summary of actual and necessary
17 expenses incurred by Deloitte & Touche during the Application Period is annexed hereto as Exhibit
18 C.

19 No agreement or understanding exists between Deloitte & Touche and any nonaffiliated or
20 unrelated person or persons for the sharing of compensation received or to be received for
21 professional services rendered in or in connection with these cases.

22 **DESCRIPTION OF SERVICES RENDERED**

23 Deloitte & Touche provides below an overview of the services it rendered as independent
24 auditor and advisor to the Debtors during the Application Period. Detailed descriptions of these
25 services, the amount of fees incurred, and the amount of hours spent providing services throughout
26 the Application Period are also provided in the annexed Exhibits.
27
28

1 **2018 Nuclear Decommissioning Trust (“NDT”) Audit Services:**

2 **Hours 88.6, Amount \$19,031.00**

- 3
- 4 • Deloitte & Touche performed audit procedures in connection with the audit of the financial
 - 5 statements of the nuclear decommissioning trusts for the period ended December 31, 2018,
 - 6 including preparing the audit plan, identifying risks of material misstatement and conducting
 - 7 audit planning meeting.

7 **2019 Audit Services:**

8 **Hours 1,423.1, Amount \$340,092.00**

- 9
- 10 • Deloitte & Touche performed audit procedures in connection with the audit of the financial
 - 11 statements of PG&E Corporation and Pacific Gas and Electric Company for the period ended
 - 12 December 31, 2019. Such procedures included conducting an audit planning meeting to
 - 13 discuss the risks of material misstatement identified and extent of planned audit procedures,
 - 14 performing accounting research in connection with recent transactions, and engaging in
 - 15 discussions with management to understand the design and implementation of internal
 - 16 controls.
 - 17 • Deloitte & Touche also performed quarterly review procedures in connection with the review
 - 18 of the quarterly financial statements of PG&E Corporation and Pacific Gas and Electric
 - 19 Company for the period ended March 31, 2019.

19 **Accounting Consultations:**

20 **Hours 8.8, Amount \$6,688.00**

- 21
- 22 • Deloitte & Touche drafted and reviewed the critical audit matters to be included within the
 - 23 audit report for PG&E Corporation for the period ended December 31, 2019.

23 **California Wildfires:**

24 **Hours 29.7, Amount \$20,963.00**

- 25
- 26 • Deloitte & Touche reviewed disclosures related to wildfires, performed accounting research
 - 27 related to the accounting for the wildfire liability and related disclosure requirements, and
 - 28 engaged in discussions with PG&E management and Debtors’ external legal counsel
 - regarding the status of settlement discussions.

1 **New Accounting Standards:**

2 **Hours 91.9, Amount \$35,363.00**

- 3
- 4 • Deloitte & Touche performed accounting research related to the implementation of the new
 - 5 lease accounting standard, engaged in discussions with management regarding the internal
 - 6 controls related to leases and tested the design and implementation of internal controls

7 **Non-Working Travel:**

8 **Hours 16.0, Amount \$5,495.00**

- 9
- 10 • Deloitte & Touche engagement team members incurred non-working travel time due to
 - 11 necessary travel for employees from Houston, Newark and Phoenix to San Francisco. Non-
 - 12 working travel time is billed at 50% of professionals' hourly rate.

12 **Other Audit-Related Services:**

13 **Hours 97.6, Amount \$29,122.00**

- 14
- 15 • Deloitte & Touche performed PowerPlan system implementation procedures and engaged in
 - 16 discussions with PG&E management regarding the scope of implementation procedures to be
 - 17 performed, the identification of internal controls related to system implementation, and

18 **Other Outside of Engagement Scope:**

19 **Hours 20.4, Amount \$11,307.00**

- 20
- 21 • Deloitte & Touche coordinated workpaper review by the Debtors' regulators (Office of
 - 22 Ratepayer Advocates) and engaged in discussions with PG&E management related to data
 - 23 analytic procedures for testing accounts payable.

24 **Post Bankruptcy Matters:**

25 **Hours 331.5, Amount \$193,539.00**

- 26
- 27 • Deloitte & Touche performed accounting research related to accounting and disclosure
 - 28 requirements as a result of bankruptcy filing, including accounting for debtor in possession
 - debt issuance costs, tax treatment of pre-petition interest and bankruptcy costs, and
 - appropriate classification of transactions as reorganization items and/or liabilities subject to
 - compromise.

- Applicant reviewed disclosures and press releases related to bankruptcy filing, delivered a bankruptcy accounting training session for PG&E management, engaged in discussions with management regarding the accounting treatment of items related to bankruptcy filing, and reviewed the accounting memo prepared by PG&E's management summarizing the accounting impacts of the application of the accounting standards related to bankruptcy.

Preparation of Fee Applications:

Hours 24.0, Amount \$4,800.00

- During the Application Period, Deloitte & Touche analyzed the time charged by both professional level and category in preparation of its fee applications, in accordance with the Interim Compensation Procedures Order.

**ALLOWANCE OF COMPENSATION AND
ACTUAL AND NECESSARY EXPENSES**

Because of the benefits realized by the Debtors, the nature of services provided, the amount of work done, the time consumed and the skill required, Deloitte & Touche requests that it be allowed, on an interim basis, compensation for the professional services rendered during the Application Period in the sum of \$666,400.00.

During the Application Period, allowance of compensation in the amount requested result in a blended hourly rate for professionals of approximately \$312.63.

Deloitte & Touche respectfully submits that the professional services rendered by Deloitte & Touche on behalf of the Debtors during the Application Period were reasonable, necessary and appropriate to the administration of these Chapter 11 Cases and related matters.

As set forth in Exhibit C annexed hereto, Deloitte & Touche has disbursed, and requests reimbursement for, a total of \$17,914.96 in expenses in providing professional services during the Application Period, which represents actual, necessary expenses in the rendition of professional services in these Chapter 11 Cases.

**DELOITTE & TOUCHE'S REQUESTED FEES SHOULD BE ALLOWED
BY THIS COURT**

Section 330 provides that a court may award a professional employed under section 327 of the Bankruptcy Code "reasonable compensation for actual, necessary services rendered . . . and

1 reimbursement for actual, necessary expenses.” 11 U.S.C. § 330(a)(1). Section 330 sets forth the
2 criteria for the award of compensation and reimbursement:
3

4 In determining the amount of reasonable compensation to be awarded . . . the court
5 shall consider the nature, the extent, and the value of such services, taking into
6 account all relevant factors, including –

- 7 (a) the time spent on such services; the rates charged for such services;
- 8 (b) whether the services were necessary to the administration of, or beneficial at
9 the time at which the service was rendered toward the completion of, a case
10 under this title;
- 11 (c) whether the services were performed within a reasonable amount of time
12 commensurate with the complexity, importance, and nature of the problem,
13 issue, or task addressed;
- 14 (d) with respect to a professional person, whether the person is board certified or
15 otherwise has demonstrated skill and experience in the bankruptcy field; and
16 (e) whether the compensation is reasonable based on the customary compensation
17 charged by comparably skilled practitioners in cases other than cases under
18 this title.

19 11 U.S.C. § 330(a)(3).

20 In the instant case, Deloitte & Touche respectfully submits that the services for which it
21 seeks compensation in this Application Period were necessary for and beneficial to the Debtors and
22 were performed economically, effectively, and efficiently. Deloitte & Touche further submits that
23 the compensation requested herein is reasonable in light of the nature, extent, and value of such
24 services to the Debtors. Further, in accordance with the factors enumerated in section 330 of the
25 Bankruptcy Code, the amount of fees requested is fair and reasonable given: (i) the complexity of
26 these cases; (ii) the time expended; (iii) the nature and extent of the services rendered; (iv) the value
27 of such services; and (v) the costs of comparable services other than in a case under the Bankruptcy
28 Code. Accordingly, the approval of the compensation sought herein is warranted.


CERTIFICATE OF COMPLIANCE AND WAIVER

29 The undersigned representative of Deloitte & Touche certifies that Deloitte & Touche has
30 reviewed the requirements of rule 2016 of the Local Rules and that the Fee Application substantially
31 complies with that Local Rule. To the extent that the Fee Application does not comply in all
32 respects with the requirements of Local Rule 2016, Deloitte & Touche believes that such deviations
33 are not material and respectfully requests that any such requirement be waived.

1
2 WHEREFORE, Deloitte & Touche respectfully requests that the Court enter an order: (i)
3 granting the allowance, on an interim basis, of compensation for professional services rendered to
4 the Debtors by Deloitte & Touche during for the Application Period in the amount of \$666,400.00,
5 for compensation for professional services rendered during the Application Period; (ii) granting the
6 reimbursement of \$17,914.96 for the actual and necessary costs and expenses incurred by Deloitte &
7 Touche in these cases during the Application Period; (iii) authorizing and directing the Debtors to
8 pay all of the compensation held back in connection with the monthly invoices in the amount of
9 \$133,280.00; and (iv) granting such other and relief as may be just and proper.

10
11 DATED: January 10, 2020

12 DELOITTE & TOUCHE LLP

13
14 By: 
15 Timothy Gillam
16 Partner
17 555 Mission Street
18 San Francisco, California 94105-0920

19 Independent Auditor and Advisor to the Debtors
20
21
22
23
24
25
26
27
28